

The Communicator

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Summer 2001

DESIGNED TO EDUCATE AND INFORM ABOUT ISSUES RELATING TO PROPERTY TAXATION AND LOCAL GOVERNMENT FINANCE IN THE STATE OF INDIANA

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100 North Senate Avenue

Room N-1058

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Telephone:

(317) 232-3761

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Jon Laramore, Chairman

Gordon McIntyre, Commissioner

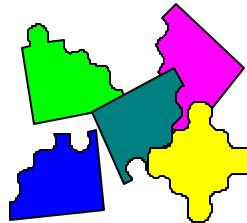
Lisa Acobert, Commissioner

Bill Waltz, Executive Secretary

Beth Henkel, General Counsel

Editor: Mark Webb, Director of Communications
and Public Affairs

Managing Editor: Pamela Drinkard



**Assessor
Update
by Jon Laramore**

This column is intended to help county assessors keep track of the many tasks they have to manage during this busy season. This list certainly is not comprehensive. However, it is intended to remind assessors of issues they might otherwise lose track of.

Manual Delivery. All assessors who have not yet received printed versions of the 2002 Rule, Manual and Guideline should have received them by the first week of August. If you have not received these documents by August 10, contact your assessment field representative. You can always download these documents from the State Board's website, www.state.in.us/taxcomm.

Alternative shelter allowance. Some counties also have approached the State Board asking whether a different shelter allowance amount can be set for their counties. The manual specifies that counties can request the State Board to set a different shelter allowance if they can show, through data regarding minimal housing costs, that the figures established for their counties are wrong.

Counties should present this information (which is specified in detail in the manual) as quickly as possible, as alternative shelter allowance amounts must go through the time-consuming rule-making process including publication in the Indiana Register.

continued on Page 2



CONTRIBUTING REPORTERS:

*Pamela Drinkard
Jon Laramore
Lisa Mahaney
Gordon McIntyre
Mark Webb*

Having Fun

*You can discover more about a person in an
hour of play than in a year of conversation.*

--- Plato ---

Assessor Update (Con't from Page 1)

If you have questions about this, contact Brian Bucher at 317-233-6770 or bbucher@tcb.state.in.us.

Assessment Methods. The State Board's rule, 50 IAC 2.3-1-1(e), requires each county to notify the State Board of the assessment method it intends to use for the 2002 reassessment. Counties can opt for the State Board's own Guideline or for an alternative method if the alternative is approved by the State Board. Each county must provide written notice to the State Board, and publish notice in a local newspaper, of the method the county will use. The rule sets an August 1, 2001 deadline for notifying the State Board and publishing notice. Because of late printing of the manual, the State Board will extend that deadline. Nevertheless, counties should act as promptly as possible to notify the State Board and publish notice of the assessment method to be used. A sample legal notice is available from your field representative.

Marshall-Swift. The State Board has entered into a contract with Marshall Valuation Service permitting ALL assessing officials in Indiana to use Marshall-Swift data. The State Board has paid \$180,000 for this license, and it covers ALL units of government in Indiana. No county should have to pay any vendor for use of Marshall-Swift information because the State Board's license covers ALL governmental units. If you have questions about this matter, call Bill Waltz, Executive Secretary, at 317-232-3783.

Neighborhood depreciation. This year's assessment rule is different from past rules because – in order to determine correct true tax value for homes – assessors often will be required to develop their own neighborhood factors to adjust assessments in each neighborhood to approximate the correct market value. This is a difficult process for which some counties are using consultants.



Assessor Update con't

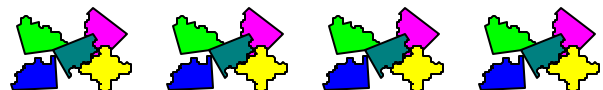
Assessors should be reminded that they are responsible for ensuring that they accurately obtain true tax values reflecting market values in each neighborhood. Inaccuracies will show up during equalization. It will be easier to solve the problems now by creating accurate neighborhood factors than later through equalization. If you have questions about this, contact Kurt Barrow at 317-232-3762 or kbarrow@tcb.state.in.us.

Sales databases. Each county must create a database of sales information from the sales disclosure forms. This database will be key in the equalization process. If counties do not have their own sales databases, the State Board will be forced to rely on its own data for equalization. The State Board's data is likely to be less complete than the database each county could create. If you have questions about creating the database, contact Nancy Stassen at 317-232-3759 or nstassen@tcb.state.in.us.

Software Standards. The State Board is close to certifying computer software for the 2002 reassessment. The State Board met with the major software vendors about this process and also met with a group of assessors to ensure that the system we're proposing for certification will work out for the counties.

Because the current software standards promulgated in the Indiana Administrative Code do not match the new manual, this year's certification will operate under a policy document that the State Board will deliver to counties shortly. The State Board also will revise the existing rule (50 IAC 12).

The State Board will keep local assessing officials informed about the software certification process. The process will include preliminary certification by the State Board that the software operates properly, then final certification after local assessing officials test the software to make sure it operates properly in each county.





Jon Laramore, Chairman

A Message from our New Chairman

For the past couple of years, the reassessment spotlight has been on the State Board as the agency has been embroiled in litigation and, more recently, completed the new real property rule.

For the next several months, however, the spotlight will be on the local assessing officials who will be doing the actual hard work of reassessment. You will be the ones who will be working *"in the trenches"* gathering the necessary information in order to price properties, mail Form 11s, handle taxpayers' questions and first-line appeals, and do all the other hard work involved in the reassessment.

As the new chairman of the State Tax Board, I want to offer whatever assistance we can provide in making this reassessment easier for you. Our field staff is knowledgeable and they want to assist you in every way they can. The central office staff members are also knowledgeable, and they are also available to answer questions promptly and accurately.

Much of the material in this *Communicator* is designed to provide you with information that you'll need in moving ahead with the reassessment.

So we can better understand what's going on in the counties, we want to work closely with the assessing community.

A Message con't

In order to deal with any common problems or concerns, please feel free to talk to us at the conferences, call us, or email Jon Laramore at:

jlaramore@tcb.state.in.

to let us know about any questions, problems, or concerns you may have.

In the first few weeks that I have been working at the State Tax Board, it has been a pleasure meeting many of the local assessors. I hope to meet more of you in the upcoming weeks.

It also has been a pleasure working with my fellow commissioners, Gordon McIntyre and Lisa Acobert, and our dedicated central office and field staff members.

The reassessment will be a difficult time for all of us. I hope we can make it easier for one another by close communication and cooperation.



***If we could first know where we are, and
whither we are tending, we could then
better judge what to do, and how to do it.***

***** Abraham Lincoln *****



It seems not too many years ago I came to the State Tax Board as a field representative for the State Board of Tax Commissioners, but it will be 39 years August 16th. Where the time has gone I do not know. My last day with the Board will be August 17th.

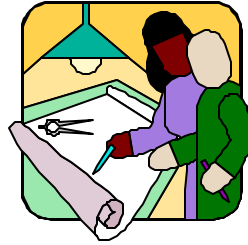
Before I leave I just want to express my appreciation for all of the courtesy and support you have provided over that period of time. I never realized when I started here what a rewarding experience I would have working with local officials and their employees. That is the part of the job I will miss most.

I will take many good memories with me. I know you have a tremendous job ahead of you, but I am confident you will get it done just as in the past.

Best wishes and goodbye. Gordon

Each one of us will one day be judged by our standard of life, not by our standard of living; by our measure of giving, not by our measure of wealth; by our simple goodness, not by our seeming greatness.

**** William Arthur Ward ****



**State Tax Board
Web Site
by
Pamela Drinkard**

To help the assessing community with their daily operations, the State Tax Board has always tried to provide various "tools of the trade" to work with. One tool provided is the State Tax Board web site. ***Please make a note of our new address:***

www.in.gov/taxcomm/

The web site provides you with a lot of information.

The site not only provides information on the State Tax Board structure, but it also lists other services. To name a few:

- Forms
- Links to other agencies
- STB Meetings (Local Government, School Property Tax Control Board and Public Meetings)
- Officials' names and addresses
- On-line training
- Property tax rates
- Publications and manuals
- Sale disclosures
- School district numbers
- Town of St. John Updates

As the keeper of the web site, I update the web site regularly. So, in your spare time, drop by our site. You may be surprised at what you might find today, that you did not find yesterday!

***It was a
pleasure.....
by
Pamela
Drinkard***



Effective June 1st, Tim Brooks resigned as Chairman of the State Board of Tax Commissioners. On May 30th, the Board provided a going away party for Tim.



Tim was awarded a fellowship from the Alexander von Humboldt Foundation to study local government finance in Germany in 2001-2002.

Though he will be surely missed by the assessing community and the State Tax Board employees, this is a once-in-a-lifetime opportunity.

As Tim stated, "he realizes that there is much left to be done. But knowing that each challenge that is met will be replaced by another, there is never a good time to leave".

By having stayed through June 1st, Tim was able to have the manual completed and much of the groundwork for other assessment related regulations finalized.

continued....

On June 4th, Jon Laramore, who formerly worked for the Attorney General's office, replaced Mr. Brooks as Chairman.

Gordon McIntyre and Lisa Acobert will be staying in their positions. Jon officially joined the State Tax Board on April 9th as Executive Secretary. He has worked with our agency for years on the St. John litigation. So he is very familiar with the problems we face.



(Left to right; Kurt Zorn, Peggy Boehm, Frank Sabatine, Tim Brooks and Jon Laramore)

Among the many special guests in attendance were: Governor Frank O'Bannon, former chairs; Kurt Zorn, Peggy Boehm and Frank Sabatine.



(Governor Frank O'Bannon presents Tim Brooks with the "Sagamore of the Wabash" Award)

Also, much to Tims' surprise, Governor Frank O'Bannon personally named Tim as a "**Sagamore of the Wabash**".

Congratulations Tim and Good Luck!



**Keep a positive
focus**

If you want to succeed in your career, take an example from golf phenomenon Tiger Woods and focus on your strengths instead of your weaknesses.

Woods apparently is awful at getting out of sand traps; his strength is a strong fluid swing that allows him to drive the ball far and straight.

When woods won the 2000 British Open, he won it on a course with more sand traps than any other. Why did he win? His swing was so accurate he got around the traps.

Adapted from the Washington Post
First Draft June 2001

Conferences

Below are the dates and locations of the remaining 2001 association conferences.

August 28th – 31st

County Assessors' Conference. Clarksville - Holiday Inn Lakeview (southern Indiana)

October 1st – 4th

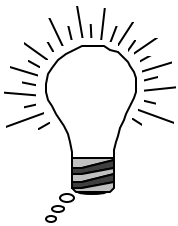
AIC (Association of Indiana Counties) Conference. Evansville – Radisson Hotel

November 14th – 17th

Indiana Township Association State Convention (Township Trustee Assessors). Indianapolis – Marriott Hotel, 21st and Shadeland Ave

Please mark your calendars!

(Informational packets will be mailed to you from your individual associations.)



Reminder: Name and Address Changes

Due to the number of names and addresses that the State Tax Board maintains in their "mailing label" database, and also in the TIS database that is maintained by the Training Division, it is very important that **you** keep us informed on a regular basis of any changes to the following information:

- Last name
- Title
- Mailing Addresses (which also includes, home and business address). Please make a notation indicating the mailing address you prefer your mail to be delivered to.
- County name
- Township name (if applicable)
- Phone numbers (business and home)

We are also requesting that the elected officials inform us of any replacements that take place within their counties. Please mail the information directly to: Donna Bratcher, State Board of Tax Commissioners, 100 N. Senate, N-1058, Indianapolis, IN 46204. Thanks!



Funding for Continuing Education

by Pamela Drinkard

On several occasions we have been asked the following question by both the county elected officials and their employees. *"Which fund do we provide reimbursement for continuing education?"*

Prior to HEA 1499, IC 6-1.1-35.2-5 stated that a county that is required to make a payment to an assessing official under this chapter must make payment regardless of an appropriation. The payment may be made from the county's cumulative reassessment fund.

However, effective July 1, 2001, under IC 6-1.1-5.5-4, the fiscal body of each county shall establish a "sales disclosure fund". Twenty percent (20%) of the revenue collected from individuals who file a sales disclosure form, shall be transferred to the state treasurer for deposit in the state **assessment-training fund established under section 4.7 of this chapter. Money in the sales disclosure fund may be expended only for:**

- (1) administration of this chapter;
- (2) verification of the information contained on a sales disclosure form;
- (3) **training of assessing officials;** or
- (4) purchasing computer software or hardware for a property record system.

The **assessment-training fund** was established for the purpose of receiving fees deposited under section 4, for the **training of assessment officials** and employees of the state board of tax commissioners or the department of local government finance.



The 2002 final version of the **"Real Property Assessment Manual and Guidelines"** are now available for purchase.

Options:

You can download the manuals from our website, purchase hard copies, or CDs.

Cost of Hard Copies:

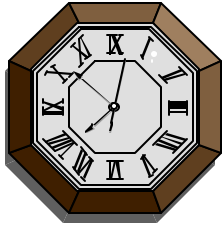
Version A Guidelines Book 1 & 2 and Version C, twenty-five (\$25.00) dollars, if picked up directly from our office and thirty (\$30.00) dollars if mailed.

Cost of a CD:

\$10.00

If you are interested in purchasing hard copies or a CD of the manuals, please contact Sherri Coe at (317) 232-3773. Please make your check payable to the, "State Board of Tax Commissioners".

If you have any questions regarding the manuals, please contact Brian Bucher at (317) 233-6770.



Expanded Continuing Education Cycle by Pamela Drinkard

In the Fall 2000 issue of the Communicator, there was an article about the State Tax Board's announcement of its intent to amend the continuing education rule adopted under IC 4-22-2. Specifically, the Board was working to extend the continuing education cycle from two to four years. In essence, the expanded cycle will give Level I and/or II Assessor-Appraisers forty-eight months in which to complete the required hours needed to maintain certification status; twice that allowed under the present rule.

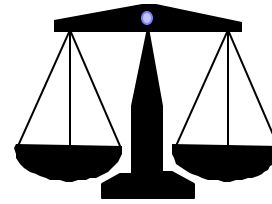
The Board is pleased to announce that the cycle **has been** extended from two years to four years. The rule went into affect beginning January 1, 2001.

As quoted from the previous article, "the expanded cycle should help redirect the focus to the quality of the education available rather than the quantity." According to former Chairman Tim Brooks, "the focus on quantity really has risen from people's concerns over the timeframe that they have to earn their hours. So, by expanding the cycle, we can better meet the needs of the assessing community."

Refocus

Oh, I am heartily tired of hearing what Lee is going to do. Try to think of what we are going to do ourselves.

****** Ulysses S. Grant ******



HEA 1499 Eliminates Testing Requirement by Lisa Mahaney

House Enrolled Act 1499, a product of the 2001 legislative session, eliminates the testing requirement for maintaining Level I and II certifications. The provision went into effective July 1, 2001. As a result, the STB will no longer differentiate between "tested" and "non-tested" continuing education hours.

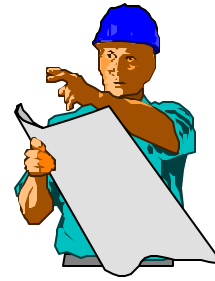
Likewise, you will notice some changes concerning the STB's administration of continuing education. These changes include the following:

- ✓ STB continuing education classes will no longer offer an optional test
- ✓ Format of the STB's Annual Training Report will change to reflect total continuing education hours earned
- ✓ STB will no longer track test scores for non-STB delivered courses

Please note that this change in no way prohibits those providing non-STB approved courses from offering testing. However, in these cases, as stated above, test scores will not be tracked by the STB. Each individual entity will need to report and maintain a record of the outcome of any testing.

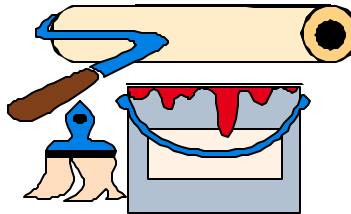
Finally, this provision in no way affects the number of hours necessary to maintain certification. Therefore, Level I Certified Assessor-Appraisers still need to accrue 30 hours of continuing education approved by the board during the cycle. Those with a Level II still need to accrue 45 hours.

**STATE BOARD OF TAX
COMMISSIONERS IS
CLOSED DUE TO CONSTRUCTION!**
by Pamela Drinkard



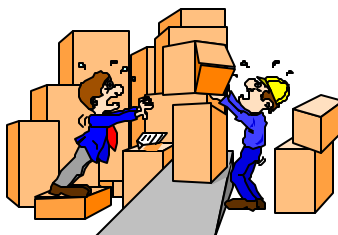
The State Board of Tax Commissioners closed due to construction! Well that is highly unlikely! However, **effective January 1st, 2002**, HEA 1499 outlines significant changes that will impact our agency. Though there may not be any physical changes to the agency's office, except for maybe a wall put here or there, there definitely will be some internal changes created and developed.

First, the agency as you now know as the State Board of Tax Commissioners, will be abolished. A new agency named the **"Department of Local Government Finance"** (DLGF) will be created. The new department will be under the direction of a Commissioner. Also, the division of Tax Review will be renamed the division of Data Analysis.

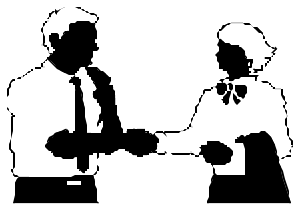


Second, if this is not confusing enough, what is normally called the Appeals Division, will become a separate agency. The newly created agency will be called, **"The Indiana Board of Tax Review"** (Indiana Board). The Indiana Board will be under the direction of a three-member board appointed by the Governor. Future announcements will be made.

Third, since the Department of Local Government Finance and the Indiana Board of Tax Review will be sharing the same support staff members, (personnel officer, secretaries, data entry personnel, software specialist, etc.), most likely both agencies will be located in adjacent office space. The only difference is, each one will have a separate mailing address. We will keep you posted, as soon as we know more. If you are like me, this will take some time getting use to. So in the meantime, you may want to start memorizing our new names.



Department of Local Government Finance, Indiana Board of Tax Review, Department of Local Government Finance, Indiana Board of Tax Review, Department of Local Government Finance, Indiana Board of Tax Review, Department of Local Government Finance, Indiana Board of Tax Review.....



Board Names New Communications Director by Lisa Mahaney

Last September, Mark Webb was appointed as Director of Communications and Public Affairs. Mark came to the STB from the Public Employee Retirement Fund where he served as General Counsel, Interim Director and Director. Mark holds a law degree from IU. We would like to take this opportunity to welcome Mark to the Board and thank him for his hard work during the 2001 legislative session!

Waltz Named Executive Secretary

After serving as General Counsel for the State Tax Board for five years, Bill Waltz was promoted to Executive Secretary to the Board. Prior to his work at the State Tax Board, Bill worked with the Senate Finance Committee of the Legislative Services Agency. Bill is a graduate of Indiana University School of Law. Please join us in congratulating Bill.

Henkel Appointed to General Counsel Position

On July 16, 2001, Beth Henkel began her post as General Counsel to the State Tax Board. Prior to coming to the STB, Beth served as a litigator in the Attorney General's office where she practiced real estate law. Beth also served as Deputy Attorney General for eight years. In her work with the Attorney General's office, Beth defended administrative agencies in litigation, including the State Tax Board. In terms of education, Beth is a graduate of Indiana University School of Law. Please join us in welcoming Beth.



**Be a better
team play-
by
focusing
on yourself**

Working in a team isn't always easy due to different personalities and different opinions. To be a good team member, stay focused on how ***you're performing***, ***not*** how others are doing. Here are some tips to follow:

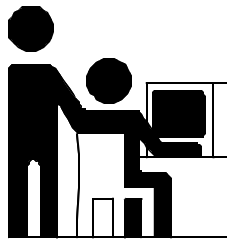
Take a good look at how you're managing yourself. Are ***you*** holding up your end of the project? Make sure obstinacy or procrastination isn't preventing others from completing their work. Prioritize ***your*** workload to accommodate the project.

Be careful not to order people around. Watch that ***you*** don't make unjustified demands on your peers and make sure the favors ***you*** ask are reasonable.

Be honest. If ***you*** start falling behind, let others know that you might miss the deadline. Give them accurate information about ***your*** end of the work.

Keep your temper in check. Make sure ***you*** don't insult or attack other team members when ***you*** get frustrated or agitated. Try to stay open when you receive constructive criticism or when others question your work.





**STB Announces On-Line
Learning Initiative**
by Lisa Mahaney

The State Board of Tax Commissioners is committed to utilizing new and innovative approaches to training that are practical, effective and convenient for assessors. Our goal is to meet the learning needs of the Indiana assessing community, while making the best use of agency resources.

The results of the STB's Demographic Data Sheet, April 2000, indicated that 33% of the respondents were interested in participating in some form of Internet or web-based training. As a result, the STB has started to make self-directed study available in an electronic format through our web page.

We think that you will find that there are a number of benefits to on-line training courses. First, on-line training is meant to provide a cost effective resource that adds to the classroom experience. All of the information currently available on this site is based upon existing STB training courses. Therefore, assessors have additional access to the concepts, practices and procedures that were introduced through STB training. This information will be especially beneficial to assessors who want to revisit information from a class that was already attended. Topics available include land values, the cost approach, and depreciation.

Secondly, for those assessors who may not be able to attend every STB continuing education session, on-line courses provide a cost effective and convenient way to stay abreast of the information that is being distributed in the classroom. This is especially beneficial to those assessors who hold jobs in addition to performing the role of assessor, as well as offering a convenient and cost effective way to distribute information to local assessors and office staff who may not be able to attend a particular session. Though continuing education credits are not available for on-line training programs at this time, we believe that you will find the on-line courses to be both convenient and useful.

Finally, with the adoption of the new manual, we will also be working to design classes around the 2002 manual and the new state guideline. Look for these to be on our web page in the near future. As developed, new courses, learning activities and information will be added to the on-line training page. We hope to someday offer continuing education credit for the completion of these courses. However the goal for the first phase of the project is to simply make additional resources available to the Indiana assessing community.

In an effort to gain current information regarding the computer access you use, please make sure that each member of your office fills out and returns the survey included with this edition of The Communicator. This will help us to design web-based training that will best meet your learning needs. Surveys will be collected until **September 30, 2001**. Please forward completed surveys to: Lisa Mahaney, Training Director, State Tax Board, 100 North Senate Avenue, Room N-1058, Indianapolis, IN 46202.



New Level I and II Certification Exams by Lisa Mahaney

With the adoption of the new real property manual and state's guideline comes the need to develop a new version of the Level I and II Assessor-Appraiser Certification Examinations. Development of the new exams began this spring at the state level.

Now, it's your turn. In an effort to allow members of the assessing community to have input into the content of the new exams, two avenues are being made available. First, interested individuals are encouraged to submit sample questions to the State Board. The questions will be reviewed and, when possible, added to the state's question bank for the exams. If you are interested in submitting sample questions, please use the following format:

Question Text

- A. Answer 1 Text
- B. Answer 2 Text
- C. Answer 3 Text
- D. Answer 4 Text

Select either A, B, C, or D as the correct answer. For your question(s) to be considered, you **MUST** indicate the correct answer for each question you submit. Those questions that are submitted without the correct answer identified will not be considered.

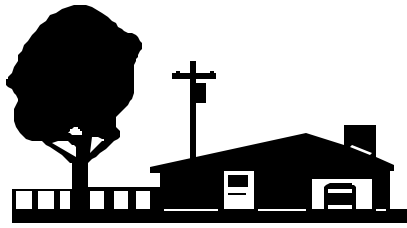
Note: The State Tax Board reserves the right to edit the submitted questions, as well as the right to eliminate submitted questions based upon appropriateness and utility. A technical review will be performed on the entire question bank for both tests prior to the first administration in 2002.

The second method of input available to assessors involves defining the content of the Level I/II exams, including topics that should be included and the appropriate level of knowledge required to earn either a Level I and/or II certification.

If you are interested in providing this type of input, please identify your comments as being for the Level I exam or the Level II exam. If you are providing commentary for both exams, please organize your comments separately within the same document.

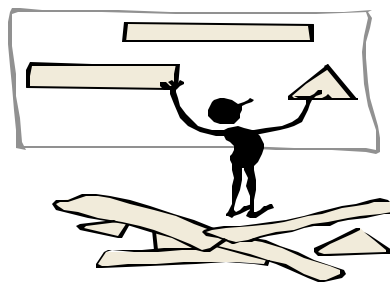
Send all submissions, sample questions and content, to: Lisa Mahaney, Training Director, State Board of Tax Commissioners, 100 North Senate Avenue, Room N-1058, Indianapolis, IN 46204.

The State Board will accept comments and sample questions until December 1, 2001. Thank you in advance for participating in this important project.



Assessment of Exempt Property Clarified by Mark Webb

House Enrolled Act 1499, P.L. 198-2001, SECs. 28-31, clarify the duty of a county or township assessor to assess all exempt property, other than that owned and used by a governmental entity. Such property must be assessed as would any other parcel of real property in the course of a reassessment. SEC. 114 requires the preparation of a report at the state level listing the assessed value of all exempt property in each taxing district in the state as of November 1, 2004. Additionally, our agency will be adopting rules in the near future to carry out this directive. If there are any questions about whether a particular piece of property should be assessed, contact the State Board.

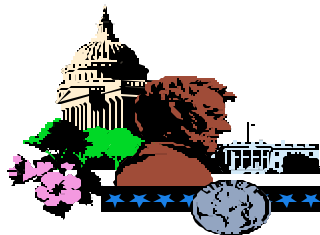


New Plan How to help your team get unstuck

Every team faces obstacles that get in the way of a project's progress. It's each team member's responsibility to do what he or she can to get the group moving in the right direction again. Here are three tips to help your team to get over the slump:

1. **Go back to the basics.** Re-evaluate the team's purpose, approach and goals. By going back to the starting point and re-examining assumptions and differences of opinion, the team may be able to further clarify its mission and how to accomplish it.
2. **Redefine the goals into smaller steps.** Sometimes a team gets stuck because goals are too big. But if the goals are broken down into smaller ones, the team can gain confidence with small victories. For example, instead of setting a goal to have no late deliveries, set a goal of cutting late deliveries in half every six months.
3. **Provide fresh approaches and information.** A stuck team can often get a boost when someone injects new information into the mix. Look at what the competition is doing, read over customer interviews, find out about internal case histories. All these can provide the insight needed to get the team to look at a problem from a different perspective.

*** Adapted from the Wisdom of Teams, by Jon R. Katzenbach and Douglas K. Smith (HarperBusiness) ***



This newsletter is published by the Communications
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All questions and comments concerning this publication should be directed to:

Mark Webb, Director of Communications and Public Affairs, at ::
100 North Senate Avenue, Room N-1058
Indianapolis, IN 46204

or via telephone at (317) 233-9222

